



SEP 1 3 2004

August 20, 2004

Ken Johnston Tribal Account Executive Transmission Business Line Bonneville Power Administration 5411 NE Highway 99 P.O. Box 491 Vancouver, WA 98666-0491

RE: Comments to "Programs in Review"

Dear Ken,

Thank you for providing us this opportunity to provide our feedback to Bonneville regarding the Transmission Business Line's operating and capital expense levels for the years 2006 and 2007.

We have been involved with Bonneville's Non-Wires Solution Roundtable since its inception. The process has been very educational, thought provoking and we hope useful. We are very pleased about and proud of the accomplishments made through that process, including the successful pilot programs on the Olympic Peninsula, the reports generated regarding system improvement options, and the collaboration of so many diverse professionals to find solutions to complex problems.

The Affiliated Tribes of Northwest Indians Economic Development Corporation supports your focus on a reliable transmission system for the region and the improvements and new construction projects you have identified. Improved reliability and relief for constrained paths can often only be accomplished through capital expenditure. However we also applaud your research and development efforts to lead the non-wire solutions approach to defer or replace the need for new facilities where it is practical. Other initiatives, like the creation of a regional Available Transmission Capacity (ATC) methodology, and investment in the formation of an appropriate Grid West are efforts that do cost money, but will likely result in a good return on the investment.

Bonneville Transmission Business Line's rates have historically been a very small part of the overall cost of delivered electricity. Those rates can support these important elements of utility leadership and will result in better cost-effective service to customers.

We strongly support budgeting for research and development efforts, and especially for groundbreaking pilot projects such as we have seen, and for other areas of transmission utility leadership. Please call me or Margie Schaff with any questions about these comments. Keep up the good work!

Sincerely,

J. David Tovey, ATNI-EDC President

Carolyn Whitney

cc:

Vice President

Business Line Management & Political Strategy

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Programs in Review

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